



[3510-16-C]

DEPARTMENT OF COMMERCE

Patent and Trademark Office

[Docket No.: PTO-C-2011-0041]

Humanitarian Awards Pilot Program

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Notice.

SUMMARY: Following on last year's Request for Comments, the United States Patent and Trademark Office (USPTO) is launching a twelve-month pilot program to incentivize the distribution of patented technologies to address humanitarian needs. The pilot program will be run as an awards competition. Participating patent applicants, patent owners, and licensees will submit program applications describing what actions they have taken with their patented technology to address humanitarian needs among an impoverished population or further research by others on humanitarian technologies. Applications will be considered in four categories: Medical Technology, Food & Nutrition, Clean Technology, and Information Technology. Independent judges will review the program applications, and a selection committee will recommend awardees

based on these reviews. Awardees will receive a certificate redeemable to accelerate select matters before the USPTO and public recognition for their efforts, including an award ceremony at the USPTO. The certificate can be redeemed to accelerate one of the following matters: an ex parte reexamination proceeding, including one appeal to the Board of Patent Appeals and Interferences (BPAI) from that proceeding; a patent application, including one appeal to the BPAI from that application; or an appeal to the BPAI of a claim twice rejected in a patent application or reissue application or finally rejected in an ex parte reexamination, without accelerating the underlying matter which generated the appeal. Inter partes reexaminations and interference proceedings are not eligible for acceleration, nor are the forthcoming post grant reviews, inter partes reviews, derivation proceedings, or supplemental examinations. Certificates awarded in the pilot are not transferable to other parties.

DATE: Applications will be accepted from March 1, 2012, through August 31, 2012.

FOR FURTHER INFORMATION CONTACT: For questions about competition procedures, contact the Office of Policy and External Affairs, by telephone at 571-272-9300; or by facsimile transmission to 571-273-0123; or by mail addressed to: Humanitarian Program, Office of Policy and External Affairs, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450.

For questions about certificates, acceleration, or other matters, contact Pinchus Laufer, Office of Patent Legal Administration, by telephone at 571-272-7726; or by facsimile transmission to 571-273-7726; or by mail addressed to: Pinchus Laufer, Office of Patent Legal Administration, United States Patent and Trademark Office, P.O. Box 1450, Alexandria, VA 22313-1450.

SUPPLEMENTARY INFORMATION: In September 2010, the USPTO requested comments from the public on proposals to incentivize the development and distribution of technologies that address humanitarian needs. See Request for Comments on Incentivizing Humanitarian Technologies and Licensing Through the Intellectual Property System, 75 FR 57261 (September 20, 2010), 1359 Off. Gaz. Pat. Office 121 (October 12, 2010). Based on feedback received, the USPTO is piloting an award competition recognizing humanitarian uses of patented and patent-pending technology. The results of this pilot will be reviewed to determine whether to extend the program.

Application Process

To enter the competition, applicants will submit program applications describing how their actions satisfy the competition criteria given below. Program applications are not patent applications but separate documents created for this pilot program. The term “application” throughout this notice shall mean program application rather than patent application unless otherwise noted. Likewise, “applicant” shall mean program applicant rather than patent applicant unless otherwise noted.

Program applications will be accepted for a period of six months beginning March 1, 2012. Up to 1,000 applications will be accepted under this pilot – if that limit is reached before August 31, 2012, the application period will be closed. Applications must be submitted on-line using the Web site at <http://patentsforhumanity.challenge.gov>. Submissions will be available on the public Web site after being screened for inappropriate material. Submissions containing inappropriate material will not be considered.

To ensure consistent and timely evaluation, applications will consist of a core section and supplements. Application forms will be available on the Web site. The core section will address how the applicant meets the defined competition criteria within a strict five-page limit. Applications exceeding this limit may be removed from consideration. Applicants may supplement the core section with any supporting material they wish to provide, such as third party statements on the merits of their application. Judges will review the core section of every eligible application they receive. Judges may review any, all, or none of each application's supplementary material at their discretion.

After the application submission period ends, judges will review the applications and a selection committee composed of representatives from other Federal agencies and laboratories will compose a list of up to 50 recommended recipients based on the judges' reviews. The selection committee will send the recommendation list to the USPTO, with

the goal of completing the recommendation process within 90 days of the close of the application period. The committee will endeavor to recommend a minimum of five awardees in each of the four categories (Medical Technology, Food & Nutrition, Clean Technology, and Information Technology), with additional awardees recommended from any category at the selection committee's discretion. The USPTO will notify the awardees and schedule a public awards ceremony. The actual number of awards given may vary depending on how many applications the judges recognize as deserving and how many awardees the selection committee recommends based on the competition criteria. All awards are subject to the approval of the Director of the USPTO.

This program involves information collection requirements which are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.). The collections of information involved in this program have been reviewed and approved by OMB under 5 CFR 1320.13.

Judging Process

Applications will be reviewed by judges external to the USPTO. The qualifications for judges are described below. Each judge will review a set of applications based on the judging criteria and selection factors below, and then submit their reviews for the selection committee to consider.

Each application will be reviewed by three judges. To ensure fair, open, and impartial evaluations by the judges, judges will perform their reviews independently and the reviews will not be released to the public. After awards have been made, applicants may receive a copy of the reviews for their program application with the judges' names redacted by request to the USPTO. Reviews will only be sent to the address on file with the application.

The selection committee will recommend a list of up to 50 awardees based on the judges' reviews. For each recommended recipient on the list, the committee will provide an explanation of the reasons for recommendation. The final list will be sent to the USPTO with a time goal of 90 days from the application period closing. The USPTO will notify the winners and schedule a public awards ceremony.

All recommendations by the judges and selection committee are subject to the approval of the Director of the USPTO. Outcomes may not be challenged for relief before the USPTO.

Eligibility

The competition is open to any patent owners or patent licensees, including inventors who have not assigned their ownership rights to others, assignees, and exclusive or non-exclusive licensees. Each program application must involve technology that is the subject of one or more claims in an issued U.S. utility patent or a pending U.S. utility

patent application owned or licensed by the applicant. If using a patent application as the basis for the program application, applicants must show that a Notice of Allowance for one or more claims from that patent application has been issued before any certificate will be awarded. Inventions from any field of technology applied to one of the four competition categories may participate.

Applicants may team together to submit a single joint application covering the actions of multiple parties. Each applicant in a joint application must meet the eligibility criteria above. Only one certificate will be issued to a team of joint applicants selected for an award, and an award certificate can be redeemed only in one matter (e.g., a single appeal to the BPAI or a single reexamination proceeding). Joint applications must designate a single applicant entity as the recipient for any acceleration certificate awarded on their application. This designation may be changed at any time before a certificate is issued by written consent of all parties to the application.

Licensees and patent owners may team together to submit a joint program application where both parties contributed to the humanitarian endeavor. Alternatively, licensees may apply on their own based on actions they have performed. For applications which do not list a patent owner as a joint applicant, licensees must notify the patent owners and provide them a copy of the application at least 14 days before submitting it. Patent owners may submit a two-page written statement regarding such an application with any additional information they wish the judges to consider, which will be appended to the

core section of the application. The lack of such a statement will not prejudice an application.

There is no preset limit on the number of awards that can be given per technology or per program applicant. Applicants can determine how many program applications to submit and which actions and technologies to cover in each application. However, the diversity requirement may discourage granting multiple awards to the same technology or applicant in a single award cycle. See *Selection Factors*, below, for more information.

Competition Criteria

Program applications must demonstrate how the applicants' actions have increased the use of patented technology to address humanitarian issues. For this competition, a *humanitarian issue* is one significantly affecting the public health or quality of life of an impoverished population. Whether an issue qualifies as humanitarian under this definition will be determined largely by the judges and selection committee.

Applications will be assigned to one of four categories: Medical Technology, Food & Nutrition, Clean Technology, and Information Technology. The Medical Technology category encompasses any medical technology, including medicines and vaccines, diagnostic equipment, or assistive devices. Food & Nutrition includes not only agricultural technology like drought-resistant crops, more nutritious crop strains, and farming equipment, but also technologies which improve food storage, preservation, or

preparation. Clean Technology applies to technologies that improve public health by removing or reducing harmful contaminants in the environment, such as water filters, sterilization devices, and cleaner sources of energy for light, heat, cooking, or other basic needs. Information Technology encompasses both physical devices and software which markedly improve the lives of the poor, such as portable computers, cell phones, or internet access devices being used to foster literacy, education, or other knowledge which improves living standards.

Applicants will designate the category in which they wish their application to be considered. The Office may reassign applications to another category at their discretion. For evaluation purposes, applications in each category will be compared to other applications in that same category.

Within the selected category, each application must address one set of judging criteria: either (1) humanitarian use, or (2) humanitarian research. The *humanitarian use* criteria recognize applying eligible technologies to positively impact a humanitarian issue. Examples of technologies with potential humanitarian uses include treatments for disease, medical diagnostics, water purification, more nutritious or higher-yield crops, pollution reduction, and education or literacy devices, among others. The focus is on demonstrated real-world improvements in the lives of the poor. Applicants must demonstrate:

- i) Subject Matter – the applicants’ technology, which is claimed in a U.S. utility patent in force at the time or a pending U.S. utility patent application, effectively addresses a recognized humanitarian issue;
- ii) Target Population – the actions described in the program application target an impoverished population affected by the humanitarian issue; and
- iii) Demonstrated Impact – the applicants’ actions have significantly increased application of the technology that benefits the impoverished population by addressing the humanitarian issue.

Alternatively, the *humanitarian research* criteria recognize making patented technologies available to others for conducting research on a humanitarian issue. Examples of technologies with potential humanitarian research benefits include patented molecules, drug discovery tools, gene sequencing or splicing devices, special-purpose seed strains, or other patented research material. The focus is on contributing needed tools to areas of humanitarian research lacking commercial application. Applicants under this criteria must demonstrate:

- i) Research Impact – the applicants’ technology, that is claimed in a U.S. utility patent in force at the time or a pending U.S. utility patent application, has made a significant contribution to substantial research conducted by others which clearly targets a humanitarian issue;
- ii) Neglected Field – the research by others occurs in an area lacking significant commercial application; and

iii) Contribution – the applicants took significant action to make the technology available to the other researchers.

Selection Factors

In addition to the competition criteria, a number of selection factors will be considered in choosing recipients. Unlike judging criteria, selection factors are not items that applicants address in their applications. Rather, they are guiding principles for administering the competition.

Three neutrality principles apply. The program will be technology neutral, meaning applications may be drawn to any field of technology with patentable subject matter applied to one of the four competition categories. It will be geographically neutral, meaning the impoverished population benefiting from the humanitarian activities can be situated anywhere in the world. Finally, evaluations will be financially neutral, meaning the underlying financial model for the applicant's actions (for-profit or otherwise) is not considered. The focus is only on the ultimate humanitarian outcome.

Diversity of awarded technologies will also factor into selections. Part of the program's mission is to showcase the numerous ways in which the patent community contributes to humanitarian efforts. Just as no single technology addresses every humanitarian issue, neither does any one contribution model work in every situation. Selected awardees

should therefore encompass a plethora of technologies, types and sizes of entities, and models of contributions.

Selection of Judges

Judges will serve as unpaid volunteers. Judges will be selected by the USPTO with the following considerations in mind:

- 1) Recognized subject matter expertise in science, engineering, economics, business, public policy, health, law, or a related field.
- 2) Demonstrated understanding of a broad range of mechanisms for developing and commercializing technology.
- 3) Experience participating in review processes such as grant applications or academic journal submissions.
- 4) Knowledge of humanitarian issues, especially the practical challenges presented with delivering goods and services to areas with inadequate transportation, electricity, security, government, or other infrastructure.

Additionally, judges will be chosen to minimize conflicts of interest. A conflict of interest occurs when a judge (a) has significant personal or financial interests in, or is an employee, officer, director, or agent of, any entity participating in the competition, or (b) has a significant familial or financial relationship with an individual who is participating. If a conflict of interest does arise, the judge must disclose the relationship to the USPTO and recuse himself or herself from evaluating the affected applications.

Where possible, judges will be assigned applications in categories that fit their relevant expertise.

Awards

Winners will receive recognition for their humanitarian efforts at a public awards ceremony with the Director of the USPTO. They will also receive an acceleration certificate which can be redeemed to accelerate one of the following matters: an ex parte reexamination proceeding, including one appeal to the BPAI from that proceeding; a patent application, including one appeal to the BPAI from that application; or an appeal to the BPAI of a claim twice rejected in a patent application or reissue application or finally rejected in an ex parte reexamination. Certificates awarded in the pilot are not transferable to other parties. When redeemed for a patent application or an ex parte reexamination, only the first appeal to the BPAI arising from that matter will be accelerated. Alternatively, the certificate may be used to accelerate an appeal to the BPAI of a final rejection in a patent application or reissue application without accelerating the underlying matter which generated the appeal. Inter partes reexaminations and interference proceedings are not eligible for acceleration, nor are the forthcoming post grant reviews, inter partes reviews, derivation proceedings, or supplemental examinations.

Each certificate may be redeemed only once and only on one matter. Certificates must be redeemed within 12 months of their date of issuance. Certificates not redeemed within 12 months of issuance expire and may not be redeemed. Holders of expiring certificates may petition that the USPTO extend the redemption period of their certificate for an additional 12 months. This petition incurs no fee. Petitioners should explain why the additional time is needed, such as not having a suitable matter or expecting a pending matter which is not yet ripe for certificate redemption. The decision whether to extend the redemption period of a certificate rests solely within the Director's discretion and cannot be challenged before the USPTO. Once a certificate has been redeemed, it is no longer eligible for extension.

Certificates may be redeemed only in matters where the certificate holder has an ownership interest in the U.S. patent or patent application at issue. This includes patents and patent applications contractually obligated for assignment to the certificate holder. The certificate may be applied to any such patent or patent application owned by the certificate holder, not just those which are the subject of a humanitarian program application.

For purposes of certificate redemption, in addition to the normal ownership rules, an entity with a controlling interest in the certificate holder is considered the same as the certificate holder. Likewise, an entity with a controlling interest in the owner of a patent or patent application to be accelerated is considered to have an ownership interest in the

matter. For example, the parent of a wholly owned subsidiary may redeem the subsidiary's certificate to accelerate a reexamination of the parent's patent.

Certificate holders may not redeem a certificate to accelerate the matter of another patent owner or patent applicant.

Certificate Redemption Process

When redeeming a humanitarian certificate, the certificate holder must notify the USPTO with the certificate number, the relevant application serial number or ex parte reexamination control number, and any other pertinent information, such as the appeal number if assigned. The USPTO will determine whether the certificate may be redeemed by checking that the certificate is valid, that the redeeming party is the certificate holder or its agent, that the matter is eligible for certificate acceleration, that the certificate holder has an ownership interest in the patent or patent application in the matter to be accelerated, and that the Office has sufficient resources to accelerate the matter without unduly impacting others. The USPTO will promptly notify the certificate holder whether the redemption is accepted. If the redemption fails for lack of ownership interest or insufficient Office resources, the certificate holder retains the certificate and may redeem it in another matter subject to the same constraints.

Under this pilot, there will be a limit of 15 certificate redemptions per fiscal year to accelerate ex parte reexaminations. This limit is due to the smaller overall number of

reexamination proceedings handled by the Office compared to patent applications and appeals. Only the first 15 accepted redemption requests for an ex parte reexamination in a given fiscal year will receive accelerated processing. Any number of certificates up to the number issued may be redeemed to accelerate patent applications or appeals to the BPAI without accelerating the underlying matter which generated the appeal (including appeals from ex parte reexaminations).

Certificates redeemed for accelerated appeals to the BPAI will receive the following treatment. Accelerated appeals will be taken out of turn for assignment to a panel. Other processing in the matter will proceed normally. The Office's goal in accelerated cases already docketed to the Board, i.e., having an appeal number, is to proceed from voucher redemption to decision in under 6 months if no oral arguments are heard in the case, or within 3 months of the date of an oral argument. For vouchers redeemed in appeals not already docketed at the Board, the goal is to reach decision in under 6 months from the date of the appeal number assignment if no oral arguments are heard in the case, or within 3 months of the date of an oral argument. For the fourth quarter of 2011, the average pendency from appeal number assignment to decision was 17 months, out of an overall pendency from Notice of Appeal to decision of 33 months. However, these numbers are expected to rise in coming quarters as there has been a sharp increase in appeal requests in recent months. Pendency also varies significantly by technology area.

Certificates redeemed in ex parte reexamination proceedings will receive the following treatment. If redeemed with a request for reexamination, the request will be decided with a goal of 2 months rather than the 3 months provided by statute. Certificate redemption at the filing of a reexamination request will be treated as a waiver by the patent owner of the right to make a Patent Owner Statement under 37 CFR 1.530 after grant of proceeding. If the statement is waived and the request granted, a first Office action on the merits will accompany the order granting reexamination. If the reexamination request is denied, the certificate is not considered redeemed and may be applied to another matter. Patent owners may preserve the right to file a Patent Owner Statement by redeeming the certificate during the statutory window for filing the Patent Owner's Statement after the reexamination proceeding has been granted. Subsequent Office actions in accelerated reexaminations will be taken out of turn as the next item to be worked on from the reexamination specialist's docket. Petitions filed in the matter will be decided in time consistent with the accelerated proceeding. An appeal to the BPAI of a final rejection in an accelerated reexamination will be taken out of turn for assignment to a Board panel. Any resulting Notice of Intent to Issue Ex Parte Reexamination Certificate (NIRC) will receive expedited processing to the extent possible. Accelerated ex parte reexaminations will not normally be merged with other co-pending proceedings, including ex parte reexaminations, inter partes reexaminations, and reissue proceedings. Where required by statute, an accelerated matter may be terminated by a decision issued in a post grant review or inter partes review proceeding.

The USPTO's goal in accelerated reexaminations will be under 6 months of processing time by the USPTO from the certificate redemption to final disposition, excluding time taken by the applicant for responses and any time on appeal. For the quarter ending December 31, 2011, the average pendency from filing a request for ex parte reexamination to an NIRC was 18.7 months, including applicant time.

Humanitarian certificates redeemed to accelerate examination of a patent application will receive the following treatment. Patent applicants must present their certificate to receive prioritized examination. If any appeal to the BPAI arises from the examination accelerated with this certificate, the first appeal will also be accelerated according to the procedures for accelerated appeals to the BPAI described herein. The Office's goal in examinations accelerated by certificate will be a final disposition within 12 months of accelerated status being granted, not including the time for any appeals to the BPAI.

Acceleration Requirements

In order to receive acceleration, the patent owner or patent applicant must agree to the following conditions. Accelerated patent applications may contain no more than four independent claims and 30 total claims. A humanitarian certificate can be redeemed in a patent or reissue application appeal to the BPAI at any time after a docketing notice has issued and before the matter is assigned to a panel. A certificate can only be redeemed for reexamination acceleration at the following points: with the request for reexamination; during the period for patent owner comment after grant of proceeding; or

when a final rejection is appealed to the BPAI. Certificates will not be accepted for reexamination proceedings at other times. No more than three new independent claims and twenty total new claims may be added during an accelerated reexamination. New claims are those beyond the number contained in the patent at the time of the reexamination request. Claims may be added without triggering this limit by canceling an equal number of existing claims. All submissions in accelerated examinations must be filed electronically. Petitions filed in the matter must be filed in good faith. Revival and Request for Continued Reexamination petitions may not be filed. Failure by the applicant to abide by these conditions may result in the acceleration being revoked without return of the certificate and the matter reverting to normal processing.

Acceleration Recommendations

To receive the greatest benefit from acceleration in an ex parte reexamination proceeding, the applicant is requested to do the following. The Patent Owner's Statement will be considered to be waived when a certificate is filed with a request for reexamination. If the patent owner desires to reserve the right to make a statement, however, the certificate should be filed instead during the statutory window for filing the Patent Owner's Statement after the reexamination proceeding has been granted. Acceleration will proceed from that point forward. All submissions in the accelerated matter should be filed electronically, except in accelerated examinations where submissions must be filed electronically. Conducting more than one examiner interview during prosecution should be avoided. Responses to all Office actions should be submitted within one month of

receiving the Office action. Petitions should be avoided as much as possible. Failure to meet these conditions may result in longer processing times by the USPTO than the goals given above, but the matter will continue to receive accelerated processing as described herein to the extent possible.

In all instances, certificate redemption is subject to available USPTO resources at the Director's discretion. If accelerating the matter would negatively impact other applicants, the USPTO may decline to redeem the certificate at that time.

Date: February 6, 2012__

David J. Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

[FR Doc. 2012-3040 Filed 02/07/2012 at 8:45 am; Publication Date: 02/08/2012]